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The Department of Licensing and Regulatory Affairs (LARA) has launched the metric-driven customer service model, Reinventing Performance in Michigan (RPM). Since 2011, LEAN programs have eliminated burdensome forms, decreased processing times and improved the state's regulatory efficiency.

The below process improvements are a result of Phase I of RPM, which includes select early successes. The RPM program will continue in three phases until it is eventually implemented in every area of the department, and will then expand to other state departments.

# **RPM Goals:**

# A 50% improvement in customer response time.

- An overall 50% reduction in forms.
- Ensure customer-facing materials are utilized and needed.
- A 25% improvement in satisfaction with the regulatory process.

# Overall Results (2011 - Present):

**Processing Time** 

Savings:

**78%** reduction on average for each process

improved.

Form Reduction:

**52%** of forms, or **906** out of **1,749** 

eliminated/consolidated.

**Customer-Facing** 

**Materials:** 

**2,198** documents reviewed for utility.

### **Processing Time Savings**

#### Improve customer response timeliness by cutting processing times by 78%

To date, RPM has cut processing time by 78% due to improvements that include a more efficient licensing and permitting process; the elimination of work steps; staff reorganization to better address customer needs; and recent improvements in technology. This allows customers to obtain a license, open a business, provide services and earn revenue quicker. Additionally, this has resulted in shorter hold times for customers calling the state.

# **Form Reduction**

#### Reducing the number of forms by 52%

Between 2011 and the present, participating agencies have eliminated 906 out of 1,749 forms for the customer's convenience. These improvements have eliminated confusion and removed more paper from state government, saving businesses both time and money.

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#### **Customer-Facing Materials**

#### Ensure customer-facing regulatory materials are utilized and needed

RPM has reviewed 2,198 materials that the customer utilizes directly. This includes forms, bulletins, manuals and guides. This thorough review ensures customers are being provided with only necessary and purposeful materials.

# **RPM Process Improvements** (2011 – Present)

# Liquor Control Commission

In 2011, reduced required documentation by 40% and processing time by 74%; allows customer to spend less time on compliance and more time on business. Reduced one week of customer wait time. Impacted 3,447 customers in 2012.

In 2012, streamlined processing time for liquor licenses; customer fills out 63% less paperwork and receives application 55% faster, generating liquor sales sooner. Resulted in a 92% backlog reduction; saves the customer 150 days to conduct business; saves approximately \$7,874 annually in printing. Impacted 3,447 customers in 2012.

In 2013, a 71% reduction in paper for liquor renewals; saves the customer one week of time and hassle and yields savings of \$3,035 on printing; impacts approximately 18,000 customers annually.

#### Public Service Commission Motor Carrier Division

An ongoing process improvement is expected to eliminate 64 work steps and fully automate the licensing process; provides the customer with an online application processed 67% faster. Gives the customer back 30 days and eliminates 10 steps, eliminates 54 steps for the employer, and saves \$32,819 on supply costs. Impacts 24,300 customers annually.

# Bureau of Health Care Services

In 2013, consolidated forms, eliminated duplicate information fields and created online applications; reduced customer licensing process by 60%. Gives the customer back 21 days to spend on business and saves \$84,000 in supply costs. To date, the bureau has received 27,582 applications and issued 30,129 licenses, as well as achieved a 23% reduction in process steps and 100% backlog elimination. Impacts 12,800 customers annually.

### Unemployment Insurance Agency

In 2012, eliminated 430 forms and consolidated 41 out of a total of 1,011; impacted 195,933 existing businesses.

In 2012, revamped the tax filing process to allow the customer to submit forms and payments online; view real time changes to their UIA account balance; receive instant notification of tax registration number. Gives the customer back 94 days, reducing processing times by 98%; impacted 195.933 existing businesses.

Since 2012, customers who use the new online system receive a UIA employer account number within one week; capture a federal tax credit quicker; and stay current with tax payments to remain in good standing with the IRS. This results in a one week turnaround for the employer, 3-5 business days for processing, and a 90% reduction in manual processing.

